

# Bramdean Alternatives Limited (the “Company”)

## October Estimated Net Asset Values

**Sterling shares: 83.50 pence**  
**U.S. Dollar shares: US\$0.7997**

This Factsheet contains commentary and news for the month ended 30 October 2009, unless otherwise stated.

### OVERVIEW

Bramdean Alternatives Limited is a Guernsey closed-ended investment company listed on the London Stock Exchange. The Company invests in a diversified portfolio of Private Equity Funds, Hedge Funds and other Specialty Funds.

On 19 November 2009, the appointment of Aberdeen Asset Managers Limited as the investment manager of the Company in place of Bramdean Asset Management LLP was announced.

### KEY FACTS

**Market Capitalisation** £74.6 million

**Investment Manager** Aberdeen Asset Managers Limited  
(with effect from 19 November 2009)  
Bramdean Asset Management LLP  
(in the period to 19 November 2009)

**Annual Management Fee** 1.5%

**Performance fee** 10% subject to an 8% return and a high watermark

**Company Brokers** Matrix Corporate Capital LLP  
JPMorgan Cazenove

**Sterling class share price on 30 October 2009** 50.75 pence

**Sterling class issue price (9 July 2007)** 100.00 pence

**Number of Sterling shares in issue** 90,715,319

**U.S. Dollar class share price on 30 October 2009** US\$0.60

**U.S. Dollar class issue price (9 July 2007)** US\$1.00

**Number of U.S. Dollar shares in issue** 78,573,876

**Minimum investment** N/A

**Dealing** Daily

**Valuation** Monthly

**NAV publication** Monthly

**October Sterling Estimated NAV per share** 83.50 pence

**October U.S. Dollar Estimated NAV per share** US\$ 0.7997

**Total common net assets** US\$ 187,927,003.26

**Total Estimated Net Asset Value** US\$ 187,692,094.51

**Half-year end** 30 September 2009

**Financial year end** 31 March 2010

**Company Secretary and Administrator** RBC Offshore Fund Managers Limited

**Registrar** Capita Registrars (Guernsey) Limited

**Stock Exchange code (Sterling shares)** BRAL

**Stock Exchange code (U.S. Dollar shares)** BRAU

**Sedol code (Sterling shares)** B1XCHB9

**Sedol code (U.S. Dollar shares)** B1XCLF1

**ISIN code (Sterling shares)** GG00B1XCHB94

**ISIN code (U.S. Dollar shares)** GG00B1XCLF11

As described in the Company’s prospectus, and as has been the case since its launch, the net asset value (“NAV”) and the NAV per share are both calculated monthly by the Company’s administrator based on the latest published NAV for each underlying fund.

Investments in underlying funds for the month ended 30 October 2009 are valued using the values (whether final or estimated) as advised by their managers, general partners or administrators. The Company has therefore relied on valuation and reporting methods used by the managers, general partners or administrators of the underlying funds in deriving the 30 October 2009 NAV and NAV per share.

For the avoidance of doubt the Directors have not exercised their discretion to depart from the above valuation policy with regard to the October 2009 NAV.

### OCTOBER MARKET COMMENTARY

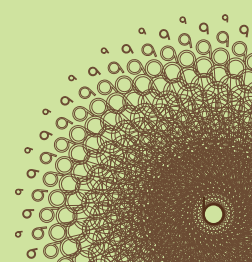
Stock markets faltered in the middle of October. The strong and sustained rally in global equities since March continued in the first half of the month, with the MSCI World Index rising 6.2%, but this gain was sharply pared back and the Index rose just 0.6% on the month in total.

The greater risk aversion of investors was signalled also by a rise in government bond markets in the U.S., UK and the Euro zone. Economic data, however, were generally positive, as the U.S. grew at 3.5% (annual rate) in the third quarter. This rise was primarily due to strength in consumer spending and residential investment. The Obama administration’s support for the car industry with incentives for buyers was an important factor in supporting growth. Growth in the Euro zone also supported market perceptions with signs of recovery. The region’s Purchasing Managers’ Index was in positive territory for the first time since May 2008, as the survey exceeded 50 in October. Of the major economies, only the UK continued to languish, as recession proved stubborn. The Bank of England persisted with its quantitative easing programme to expand the money supply and credit.

Foreign exchange markets were volatile in October, as investors were uncertain when the extremely easy

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monetary conditions might be tightened. The U.S. dollar was weak persistently as the quantitative easing programme remained in place while other economies showed signs of being prepared to raise interest rates. The Federal Reserve reiterated its stance of low rates for an "extended period". Third-quarter GDP figures in Asia suggested that growth is recovering and is robust, with double-digit growth rates for the third-quarter (annual rate) in China and smaller regional economies, notably South Korea and Singapore. Sterling continued to be under selling pressure owing to the recession and the extremely loose monetary policy.

### **PORTFOLIO NEWS** **General**

The underlying unaudited performance in October was -0.62% for the Sterling Share class and +2.43% for the U.S. Dollar Share class. There were 22 holdings in the Company's overall portfolio as at 30 October 2009.

The Company's redemption notice to Aarkad Plc ("Aarkad") remains suspended and the Company continues to work with the manager and fellow investors to realise value from the underlying portfolio. The Company also completed its programme of tactically reducing its allocation to hedge funds.

The stand-out performer during October was Deephaven Global Multi-Strategy Fund Ltd. Positive returns were also reported by D.E. Shaw Oculus International Members Interest and King Street Capital Ltd.

The Company benefited from upward revaluations of 10 of its Private Equity & Specialty holdings. The portfolios of underlying holdings with substantial mark-to-market securities continued to benefit from upward revaluations driven by the current market recovery; non-mark-to-market securities will also rise if their listed comparables appreciate in value.

### **Hedging**

Neither the Sterling Share class nor the U.S. Dollar Share class currently has any currency hedges in place. The Company's overcommitted status makes it difficult to bear the mark-to-market volatility from passive currency hedges. Instead, the Company continues to monitor its currency exposure to determine whether hedging such exposure is in the Company's interests and will implement currency hedges tactically as necessary to guard against currency volatility.

### **Private Equity & Specialty Funds**

The Company has commitments to 17 Private Equity & Specialty Funds amounting to approximately US\$217 million; no new commitments were made during October.

The total amount that has been drawn-down on the commitments made is approximately US\$109.0 million, with seven capital calls totalling approximately US\$4.5 million having been drawn-down in October. The Company has now received total distributions of US\$5.2 million since inception, with US\$1.0 million received in October.

Revaluations were received from 12 managers and these have been incorporated into the October NAV calculations; 10 were upward revaluations to reflect recovering values in the underlying portfolios, while two were downwards, reflecting falls in the values of market comparables, adverse currency movements and the J-curve effect.

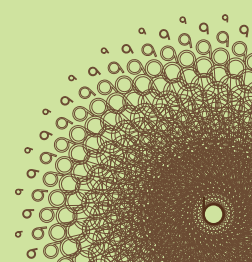
### **Transitional Portfolio**

The portfolio held one fund, Aarkad, during October. The rest of the portfolio comprises of cash. The Transitional portfolio returned +0.01%, including cash, but excluding currency movements, during October.



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### Strategic Hedge Funds portfolio

Performance was modestly down on the month, with a return of -0.60%, while markets remained cautious on the strength and sustainability of the recovery. Year to date the portfolio has returned +9.68%.

### PORTFOLIO HIGHLIGHTS

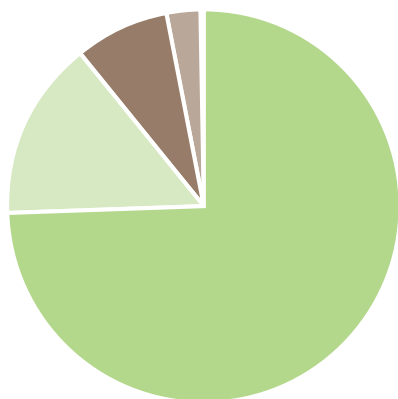
– **Event Driven** – The reversal in equity markets towards month end hurt the special situations manager. The manager suffered from some of its equity names, particularly from large positions in financials, ending the month over 10% down. Despite these difficulties, the manager was able to profit from positive M&A events such as the closing of the Wyeth/Pfizer deal. The distressed manager was up with positive contribution from its long stressed and distressed names.

– **Global Macro** – The fund posted a small loss in October, with gains in asset-back securities and reinsurance strategies offset by losses from equity statistical arbitrage exposure. The manager’s reinsurance strategy was able to profit from its U.S. wind exposure as a result of an uneventful hurricane season.

– **Relative Value** – Performance contribution for the multi-strategy manager was concentrated in the credit book, which has significant exposure to aircraft-backed securities. These positions rallied on technical factors during the month.

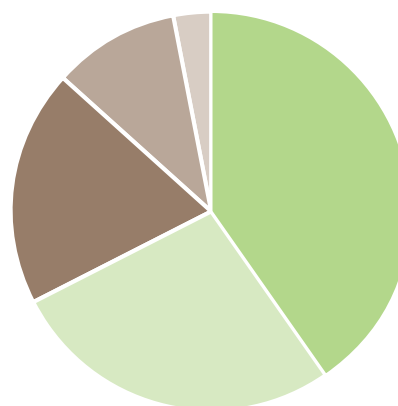
– **Outlook** – Positive cyclical tailwinds are continuing to drive risk assets higher. However, significant structural headwinds are possible heading into 2010. Given uncertainty over the timing of renewed market difficulties and the actions of policy makers, significant exposure to those managers with good trading capabilities is being maintained.

### Geographical Allocation



North America	74.49%
Europe	14.87%
Global	7.84%
Asia & Other	2.81%

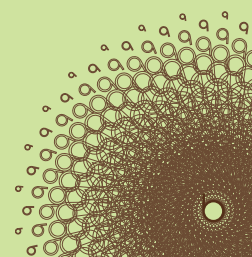
### Portfolio Holdings Asset Allocation



Cash	40.50%
Private Equity Funds	27.04%
Specialty Funds	19.24%
Strategic Hedge Funds	10.26%
Transitional portfolio	2.96%

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## PORTFOLIO HOLDINGS (INVESTED CAPITAL) ON 30 OCTOBER 2009

Manager	Type	Portfolio Weighting
Cash	Cash	40.5%
Oaktree OCM Opportunities Fund VIII L.P.	Specialty	8.6%
Greenpark International Investors III L.P.	Private Equity	6.2%
D.E. Shaw Oculus International Members Interest	Strategic Hedge Funds	4.5%
Coller International Partners V L.P.	Private Equity	3.8%
Thomas H Lee Parallel Fund VI L.P.	Private Equity	3.7%
SVG Strategic Recovery Fund II L.P.	Specialty	3.7%
Aarkad Plc	Transitional	3.0%
MatlinPatterson Global Opportunities Partners III L.P.	Specialty	2.7%
Paulson Advantage Plus Ltd	Strategic Hedge Funds	2.5%
Silver Lake Partners III L.P.	Private Equity	2.3%
Terra Firma Capital Partners III L.P.	Private Equity	2.2%
DFJ Athena L.P.	Private Equity	2.0%
Goldman Sachs Capital Partners VI L.P.	Private Equity	2.0%
HIG Bayside Debt & LBO Fund II L.P.	Specialty	1.8%
Tenaya Capital V L.P.	Private Equity	1.8%
King Street Capital Ltd	Strategic Hedge Funds	1.7%
Deephaven Global Multi-Strategy Fund Ltd	Strategic Hedge Funds	1.7%
Thoma Bravo Fund IX L.P.	Private Equity	1.3%
Pine Brook Capital Partners L.P.	Specialty	1.2%
Resonant Music I L.P.	Specialty	1.2%
AIG Brazil Special Situations II L.P.	Private Equity	0.9%
Rho Ventures VI L.P.	Private Equity	0.7%

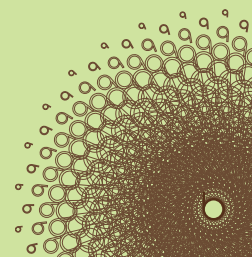
**Cash:** The Company currently has six approved cash deposit accounts.

**Transitional investments:** The Company will seek to avoid return dilution caused by holding amounts that are not committed or are committed, but not yet drawn-down, on both underlying private equity funds and underlying specialty funds by investing such amounts in a range of transitional investments, which may include equity hedge, senior debt, mezzanine and market neutral funds.

**Strategic Hedge funds:** The part of the Company's portfolio was managed by RMF Investment Management, Nassau Branch (effective 1 October 2009, RMF changed its name to Man Investments (CH) AG).

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### **DISCLAIMER**

On 19 November 2009, the appointment of Aberdeen Asset Managers Limited ("Aberdeen") as the investment manager of the Company in place of Bramdean Asset Management LLP was announced.

This Factsheet update has been produced by Bramdean Asset Management which is authorised and regulated by the Financial Services Authority ("FSA"). Bramdean Asset Management was the Company's investment manager for the period under review in this document.

This material constitutes a financial promotion for the purposes of the Financial Services and Markets Act 2000 (the "Act") and the handbook of rules and guidance issued from time to time by the FSA (the "FSA Rules").

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You should note that, if you choose to invest in the Company, your capital will be at risk and you may therefore lose some or all of any amount that you choose to invest. This material is not intended to constitute, and should not be construed as, investment advice.

Potential investors in the Company should seek their own independent financial advice. Aberdeen neither provides investment advice to, nor receives and transmits orders from, investors in the Company nor does it carry on any other activities with or for such investors that constitute "MiFID or equivalent third country business" for the purposes of this FSA Rule.

### **PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RESULTS.**

Please note that up-to-date information on the Company, including its monthly NAV and share prices, factsheets, Annual Report and Financial Statements, Prospectus and portfolio information can currently be found at [www.bramdeanalternatives.com](http://www.bramdeanalternatives.com).

Capita Registrar's helpline is 0871 664 0300 (Calls cost 10 pence per minute plus network extras, lines are open 8.30am-5.30pm Monday-Friday). For callers outside the UK, please dial: +44 (0)20 8639 3399.

Registered Office: Canada Court, Upland Road, St. Peter Port, Guernsey, GY1 3QE, Channel Islands.

### **CONTACT DETAILS**

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